

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Annual Compliance Report, 2011

Docket No. ACR2011

CHAIRMAN'S INFORMATION REQUEST NO. 1

(Issued January 19, 2012)

To clarify the basis of the Postal Service's estimates in its proposals filed in Docket No. ACR2011 the Postal Service is requested to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than January 27, 2012.

First-Class Mail

1. Please refer to the discussion of First-Class Mail worksharing discounts in the FY 2011 Annual Compliance Report at 51-54. There are nine workshare discounts that exceed avoided costs. Note that this does not include the evaluation of the discount for Automation Mixed AADC letters, which has been suspended pending the outcome of Docket No. RM2010-13. For each First-Class Mail discount that exceeds avoided costs, please explain whether the Postal Service believes that some or all of these discounts are covered by exceptions in 39 U.S.C. § 3622(e), and if so, for each discount for which a § 3622(e) exception is claimed, identify the exception and explain how it applies to the discount.

First-Class Mail Processing Cost Models

2. Please refer to the “Automation Incoming Secondaries” percentages in cells E15-E18 of tab “MISC” of USPS-FY11-10, USPS-FY11-10 FCM_LTRS.xls and in cells E15-E18 of tab “MISC” of USPS-FY10-10, USPS-FY-10_FCM_PRST_LETTERS_MPFinal.xlsx.
 - a. Please confirm that the source of the Automation Incoming Secondaries percentages is F.A.S.T. data. If confirmed, please provide a description of the F.A.S.T. system. If not confirmed, please identify and provide a description of the source of these percentages.
 - b. Please describe the methodology used to develop
 - i. the FY 2011 Automation Incoming Secondaries percentages in USPS-FY11-10; and
 - ii. the FY 2010 Automation Incoming Secondaries percentages in USPS-FY10-10.Please note any differences between the FY 2010 and FY 2011 methodologies in this description, including differences in assumptions used to develop the percentages.
 - c. Please provide in a sourced electronic spreadsheet all data and underlying calculations used to estimate the FY 2010 and FY 2011 Automation Incoming Secondaries percentages.
 - d. Please confirm that the sum of the 3-Pass DPS (CSBCS) (cell E17) and 2-Pass DPS (DBCS) (cell E18) Automation Incoming Secondaries percentages (i.e., the combined DPS percentage) decreased from FY 2010 to FY 2011. If not confirmed, please provide all calculations and explain fully.
 - e. Please state whether the Postal Service believes that the actual percentage of First-Class Mail Presort Letters sorted on automation to

DPS decreased from FY 2010 to FY 2011. Please explain fully your response.

- f. Please provide your best estimate of
 - i. the number of CSBCS that were in operation in FY 2011;
 - ii. the number of 5-Digit ZIP Codes for which letters were sorted to DPS on a CSBCS in FY 2011; and
 - iii. the percentage of First-Class Mail Presort Letters destinating in 5-Digit ZIP Codes that were sorted to DPS on a CSBCS in FY 2011. Please explain your response and provide all calculations in a sourced electronic spreadsheet format.
3. Please refer to USPS-FY11-11, USPS-FY11-11 FCM Prsrt Flats Alternate__79118.xls, cell G14 in worksheet "CRA PRESORT FLATS" and cell K73 in all of the "Cost" worksheets, e.g., "5D AUTO COST."
 - a. Please confirm that the FY 2011 CRA unit cost for the FSS pool for First-Class Mail Presort Flats was 0.354 cents. If not confirmed, please provide the correct figure and all underlying calculations.
 - b. Please confirm that the modeled FSS costs per piece in all of the "Cost" worksheets except "NONAUTO COST" were above 0.77 cents. If not confirmed, please explain fully.
 - c. Please explain why the modeled FSS costs were more than double the CRA costs in the FSS cost pool.
 - d. Please explain why the FSS cost in the "NONAUTO COST" worksheet is lower than the FSS cost in each and every presort level-specific "NONAUTO COST" worksheet.
4. Please refer to USPS-FY11-11, USPS-FY11-11 FCM Prsrt Flats Alternate__79118.xls.

- a. Please confirm that the delivery cost for a flat that is sorted to DPS on FSS is less than the carrier cost for a flat that is sorted to carrier route on an AFSM 100. If not confirmed, please explain fully.
 - b. Please confirm that the First-Class Model flats cost avoidance model referenced above does not model the impact of FSS on delivery costs and thus the cost avoidance estimates the model generates do not include any differences in delivery costs by presort level that may result from differing FSS processing percentages. If not confirmed, please explain fully.
5. Please refer to USPS-FY10-10, USPS-FY-10 FCM PRST LETTERS MPFinal.xlsx, "CRA-BULK METERED LETTERS," Cell C76, and USPS-FY11-10, USPS-FY11-10 FCM LTRS.xls, "CRA-BULK METERED LETTERS," Cell C79.
 - a. Please confirm that the CRA Mail Processing cost of First-Class Mail Single-Piece Metered Letters (which is used as a proxy for Bulk Metered Mail mail processing costs) declined between FY 2010 and FY 2011, from 13.611 cents per piece in 2010 to 12.265 cents per piece in 2011. If not confirmed, please explain fully.
 - b. Please explain any operational reasons for this reduction in costs.
6. Please refer to USPS-FY10-10, USPS-FY-10 FCM PRST LETTERS MPFinal.xlsx, "CRA-BULK METERED LETTERS," Cell C74, and USPS-FY11-10, USPS-FY11-10 FCM LTRS.xls, "CRA-BULK METERED LETTERS," Cell C75.
 - a. Please confirm that the sum of the Non Mods pools declined from 2.503 cents per piece to 2.214 cents per piece. If not confirmed, please explain fully.
 - b. Please explain any operational reasons for this reduction in costs.

Periodicals

7. In the FY 2010 Annual Compliance Determination at page 94, the Commission stated “on the cost side, the Postal Service can continue to pursue the Flats Strategy that it outlines in its Exigency Request. This includes ending the Hot2C program.”
 - a. Describe the operational changes designed to reduce flat costs in FY 2011 and estimate the financial effects of such changes.
 - b. In response to USPS OIG Report CR-AR-11-001, the Postal Service stated that the target date for ending the Hot2C program was April 2011 (page 19). Please provide an analysis of the reduction of Periodicals manual handling costs that resulted from the elimination of this program.

Standard Mail

8. Please refer to the discussion of Standard Mail worksharing discounts in the FY 2010 Annual Compliance Report at 54-58. There are 15 workshare discounts that exceed avoided costs. For each Standard Mail discount that exceeds avoided costs, please explain whether the Postal Service believes that some or all of these discounts are covered by exceptions in § 3622(e), and if so, for each discount for which a § 3622(e) exception is claimed, identify the exception and explain how it applies to the discount.
9. As outlined in the FY 2010 Annual Compliance Determination, please provide the following information regarding the Standard Mail Flats product:
 - a. Describe all operational changes designed to reduce flat costs in FY 2011 and estimate the financial effects of such changes.
 - b. Describe all costing methodology or measurement improvement made in FY 2011 and estimate the financial effects of such changes.

- c. Provide a statement summarizing the historical and current fiscal year subsidy of the Flats product; and the estimated timeline for phasing out this subsidy.
- d. Provide an explanation of how the prices in Docket No. R2012-3 will move the Flats cost coverage toward 100 percent.
- e. Provide a statement estimating the effect that the Docket No. R2012-3 prices will have in reducing the subsidy of the Standard Mail Flats product.

Package Services

- 10. In FY 2011, revenues for the Package Services class failed to cover attributable costs. Specifically, Single-Piece Parcel Post, Bound Printed Matter (BPM) Parcels, and Media Mail/Library Mail failed to cover costs.
 - a. Please explain the Postal Service's plans for Media Mail/Library Mail to ensure that revenues cover attributable costs in the future.
 - b. With respect to Single-Piece Parcel Post and BPM Parcels, the Postal Service explains that pricing and product actions can improve the cost coverage for both products. See ACR2011 at 37 and 40. Please explain what product actions, if any, the Postal Service plans to take to ensure revenues cover attributable costs in the future for both products.
- 11. Please refer to Library Reference USPS-FY11-3, Excel file "FY11.3.Worksharing Discount Table_Final.xls," worksheet 'Bound Printed Matter Parcels,' cell F28, which shows the discount for BPM parcels dropshipped at a DDU is \$0.795. Please confirm that the correct discount is \$0.762 (\$1.451 – \$0.689). If not confirmed, please explain.
- 12. The BPM Flats DNDC dropship discount and the BPM Parcels DNDC dropship discount exceed avoided costs. Please explain if the two discounts are covered

by exceptions under section 3633(e). For each discount that is covered by an exception, please identify the exception and explain how it applies to the discount.

Special Services

13. Please refer to USPS-FY11-41, worksheet "FY 2011 Intl Fees & Services." Please provide the number of transactions and revenues differentiated between Market Dominant International Inbound and International Outbound for the following two services: (1) International Registered Mail; and (2) International Restricted Delivery.
14. Refer to Postal Bulletin 22326 (12-15-11), at page 65. For FY 2011, please identify where "[f]unds collected from fees charged for cashing Treasury checks at POS ONE offices" and non-POS ONE offices are reported in the market dominant or competitive product list and provide the amount of the fees.
15. Please reconcile the differences shown in the Table below between RPW and billing determinant figures. These data are in USPS-FY11-4.

	RPW	Billing Det	Difference		RPW	Billing Det	Difference
	Revenue	Revenue			Volume	Volume	
Special Service	a	b	c=(a-b)		d	e	f=(d-e)
Collect on Delivery	\$ 6,677,514	\$ 6,791,224	\$ (113,710)		819,400	874,285	(54,885)
Insurance /1	\$ 116,651,990	\$ 113,751,303	\$ 2,900,687		34,573,190	34,355,095	218,095
Registered Mail /2	\$ 45,236,486	\$ 43,373,693	\$ 1,862,793		2,687,960	2,530,773	157,187
Return Receipts	N/A	N/A	N/A		195,572,643	194,295,595	1,277,048
Stamped Env. & Cds							
Stamped Cards	\$ 1,610,880	\$ 1,610,880	-		-	53,696,000	(53,696,000)
Stamped Envel	\$ 10,649,631	\$ 9,729,416	\$ 920,215		-	-	-
Ttl Envel & Cards	\$ 12,260,511	\$ 11,340,296	\$ 920,215		-	53,696,000	(53,696,000)
/1 Includes Express Mail Insurance				/2 Without USPS			

16. Please refer to the Notes to FY 2011 Public Cost and Revenue Analysis, Section 2: Definitions, Miscellaneous items, which states that “1.2 million in interest earned from the money order float, which is included in domestic and international money orders.” Please provide an Excel file that derives the money order float for domestic money orders. The file should be similar to the one provided in Docket No. ACR2010 in response to CHIR No. 1, question 15, titled ‘ChIR.1.Q.15.FY10_MOFLOAT.xls.’
17. The reported revenue for Stamp Fulfillment in the RPW differs from the reported figure in the Billing Determinants (USPS-FY11-4). Please reconcile the figures and provide the supporting source data.
18. Please reconcile differences in the RPW revenue and volume for Address Enhancement Services with the information provided in the Non Public Cost and Revenue Analysis (USPS-FY11-NP11). Provide cites to all source documents used. If a document has not been previously provided, please do so.
19. In the FY 2010 Annual Compliance Determination Report (ACD), the Commission suggested that the Postal Service consider using either a moving average for calculating Collect-on-Delivery (COD) attributable costs or investigate alternatives to sampling (FY 2010 ACD at 125). Please explain how the Postal Service calculated the FY 2011 attributable costs for COD.
20. The following questions refer to requests the Commission issued to the Postal Service in the FY 2010 ACD.
 - a. The Commission directed the Postal Service to report on its efforts to reduce Address Management costs. In the FY 2011 Annual Compliance Report (FY 2011 ACR) the Postal Service reports that Address

Management costs were \$9.9 million and the cost coverage improved from FY 2010 of 83.82 percent to the cost coverage of 155.56 percent. (See FY 2011 ACR at 43.) Please identify the measures the Postal Service implemented to improve the cost coverage.

- b. In the FY 2010 ACD, the Address Management Services revenue was \$18.1 million. For FY 2011, it declined to \$15.4 million (FY 2011 ACR at 43). Please explain why the decline occurred, and whether the Postal Service expects the revenue decline to continue into FY 2012.
21. For the FY 2011 Caller Service product, please confirm that the contribution to institutional costs is \$64.4 million. If unable to confirm, please explain and provide the source documents.
22. Please refer to the FY 2011 Public Cost and Revenue Analysis (PCRA)- USPS- FY11-1, Excel file "FY11PublicCRA.xls" and the FY2011 RPW extract file, "Fy2011_RPWextractfile.xls, worksheet 'Summary Category RPW Data.'
- a. For Address Management Services, please reconcile the revenue of \$15,416,343 from the PCRA with the revenue of \$16,440,630 from the RPW extract file.
 - b. For Customized Postage, please reconcile the revenue of \$1.5 million from the PCRA with the revenue of \$0.9 million from the RPW extract file.
23. For Address Management Services, please refer to the FY 2011 RPW extract file, "Fy2011_RPWextractfile.xls, worksheet 'Summary Category RPW Data'. Please confirm that the Address Management Service volume is 2,707,223. If unable to confirm, please provide the correct volume and provide the source

Competitive Products

24. Competitive Ancillary Services and First-Class Package Services (formerly Lightweight Commercial Parcels) were added to the competitive product list during FY 2011. However, the Postal Service did not provide FY 2011 financial results for the two products.
- Please confirm that the Postal Service offered both products in FY 2011.
 - If confirmed, please provide estimated FY 2011 revenue, volume, and cost data. If unable to provide estimates, please explain.
 - If not confirmed, please provide the implementation dates for the products.

Negotiated Service Agreements (NSAs)

25. For each Priority and Express NSA in effect in FY 2011, please provide the following information in an Excel file, linked to the source data, and please provide the electronic files containing the source data. Also, please include contracts which were in effect, but no mail was sent pursuant to the agreement. For each contract where the volume, weight, or revenue is not identical in all information sources, please explain the discrepancy.

Volume				
Partner Name	Docket Number		LR-NP27 Summary	LR-NP1
				LR-NP27 Partner Profile
Weight				
Partner Name	Docket Number		LR-NP27 Summary	LR-NP1
				LR-NP27 Partner Profile
Revenue				
Partner Name	Docket Number		LR-NP27 Summary	LR-NP1
				LR-NP27 Partner Profile

26. The following questions concern LR-FY11-NP27, file "NSACostRevenueSummaryFY11.xls," and the underlying partner profiles.

- a. Please confirm that no information for the following contracts is contained in LR-FY11-NP27:

CP2009-54

CP2010-4

CP2010-7

CP2010-15

CP2010-16

CP2010-75

CP2011-33

CP2011-47

CP2011-48

CP2011-49

CP2011-50

CP2011-57

CP2011-53

- b. In "NSACostRevenueSummaryFY11.xls," partner specific data are unavailable for several contracts. For each of these contracts, please explain why data are not available and when the Postal Service expects actual data to become available. Also, please provide a narrative explaining the methodology used to adjust costs when partner data is not available.

Collection Boxes

27. In accordance with the annual reporting of customer satisfaction, 39 CFR § 3055.91(c), please provide the number of collection boxes at both the Postal Administrative Area and the National level including:
- a. The number of collection boxes at the beginning of FY 2011 (§ 3055.91(c)(1));

- b. The number of collection boxes at the end of FY 2011 (§ 3055.91(c)(2));
- c. The number of collection boxes removed during FY 2011 (§ 3055.91(c)(3));
- d. The number of collection boxes added during FY 2011 (§ 3055.91(c)(4));
- e. The proportion of collection boxes for which the last mail pick-up time is:
 - i. Midnight to 11:59 a.m.;
 - ii. Noon to 2:59 p.m.;
 - iii. 3:00 p.m. to 4:59 p.m.;
 - iv. 5:00 p.m. to 6:59 p.m.;
 - v. 7:00 p.m. to 11:59 p.m.
- f. A copy of the Collection Point Management System (CPMS) database in Excel spreadsheet format as of the end of FY 2011.

Post Office Closures

28. Please provide Excel Spreadsheets including the Office Name, Location (State) and 5-digit ZIP Code for the following.
- a. Offices Closed After 1/1/2011.
 - b. Offices Under Suspension (including the Suspension date) as of 1/1/2012.
 - c. Offices Suspended after 1/1/2011.
 - d. Offices Removed from the Lists of facilities provided in Docket No. N2011-1, Library References USPS-LR-N2011-1-2 and USPS-LR-N2011-1-3.
 - e. Offices Projected to be closed in January 2012, including the projected date of closure, but for the recently announced moratorium on closures.
 - f. Offices for which Final Determinations were issued in CY 2011.
 - g. Offices still under consideration for closure which were part of the SBOC Initiative in Docket No. N2009-1.

International

29. The following questions pertain to the quality of service link to terminal dues for inbound letter post (Inbound First-Class Mail International).
- a. For CY 2010, please provide the final monthly and annual quality of service measurement results for the link to terminal dues that were provided to the Postal Service by the International Post Corporation or its contractor.
 - b. For CY 2011, please provide the preliminary monthly quality of service measurement results for the link to terminal dues that were provided to the Postal Service by the International Post Corporation or its contractor.
 - c. In response to subparts (a) and (b), above, if the Postal Service files the requested information under seal, please explain why this service performance information for the market dominant Inbound First-Class Mail International product is not filed as a public document.
30. The following question concerns inbound international mail. For FY 2011, please provide the number of cubic feet separately for inbound Air LC/AO, Surface LC/AO, Surface Parcel Post, Air Parcel Post, and Express Mail Service from Canada and the rest of the world (separated by ICs and DCs, if possible).
31. In Docket No. ACR2009, the Postal Service stated that the new Foreign Payment System (FPS) was implemented effective January 2010. Response to CHIR No. 1, question 22. With respect to international mail, the Postal Service added that the "FPS is not reflected in the Reports.xls file and only partially reflected in the Reports (Booked).xls file." *Id.* Please discuss the implementation status of the FPS during FY 2011 and to what extent the amounts reported in the Excel files

Reports.xls and Reports (Booked).xls presented in the International Cost and Revenue Analysis report reflect the implementation of the FPS.

32. The following questions concern Inbound Express Mail Service (EMS).
 - a. Please provide the CY 2010 EMS Cooperative Report Card provided to the Postal Service.
 - b. Please provide the CY 2011 EMS Cooperative Report Card, if available. If not available, please provide the available quarterly report cards for CY 2011, provided to the Postal Service.
33. Please refer to USPS-FY11-NP2, Excel file Reports (Booked).xls, worksheet A- Pages (c), Table A-1. Also, please refer to the Postal Service's FY 2011 Annual Compliance Report concerning competitive products.
 - a. For inbound International Expedited Services, please explain why costs exceed revenues. Please explain the improvement in the Inbound Expedited Services cost coverage for FY 2011 compared to FY 2010. Also, please describe what steps the Postal Service will take in the future to ensure that revenues exceed attributable costs.
 - b. Within the competitive International Ancillary (Special) Service product, the Postal Service reports revenues and costs for outbound International Insurance service. For FY 2011, outbound International Insurance revenues exceed attributable costs. Please explain the substantial improvement in the outbound International Insurance cost coverage for FY 2011 compared to FY 2010, in which costs exceeded revenues.
34. For FY 2011, the ICRA reports that costs exceed revenues for Inbound Express Mail Service based upon both "booked" and "imputed" methodologies. In Docket Nos. CP2009-57 and CP2010-90, the Postal Service presented financial models showing that its proposed EMS rates, effective in CY 2010 and CY 2011, would

cover cost. Please confirm that the financial models were based upon “imputed” revenues and expenses. If not confirmed, please explain. If confirmed, please explain the causes of the difference between the cost coverage reported in the FY 2011 ICRA and cost coverages estimated in the Postal Service’s financial models.

35. Please refer to USPS-FY10-NP2, Excel file “Reports (Booked).xls”, worksheet A-Pages (md), Tables A-1 and A-2. Also, please refer to the Postal Service’s FY 2011 Annual Compliance Report. Although the attributable costs for inbound Single-Piece First-Class Mail International (FCMI) at UPU rates exceeded revenues, the loss for FY 2011 was smaller than for FY 2010.
 - a. Please discuss the reasons for the improvement in the Inbound FCMI product cost coverage for FY 2011 compared with FY 2010.
 - b. Within the market dominant International Ancillary Services product, which provided a positive contribution, costs for Inbound Registered Mail exceeded revenues. Please explain the increase in negative contribution of Inbound Registered Mail for FY 2011 compared with FY 2010.
36. The following questions concern International Money Transfer Service (IMTS). Please refer to USPS-FY11-NP2, and the Excel file “Reports (Booked).xls,” worksheet tab A-Pages (c), Table A-2. Also, please refer to CHIR No. 1, question 2(c) in Docket No. RM2011-5.
 - a. For FY 2011, no volume amount is reported for the IMTS-Inbound product. Please explain.
 - b. For FY 2011, the combined revenues of IMTS-Outbound and IMTS-Inbound products exceeded their combined attributable costs. Please discuss the reasons for the substantial improvement in the combined cost

coverage of the IMTS-Outbound and IMTS-Inbound products for FY 2011 compared with FY 2010.

- c. For IMTS during FY 2011, please provide the total number of IOCS tallies, the coefficient of variation (CV) for the IOCS-based cost estimate, and the 95 percent confidence interval for the cost coverage.
 - d. In its response to CHIR No. 1, question 2(c), the Postal Service discussed options to minimize volatility and thereby ensure that the unit cost estimates for the IMTS-Outbound and IMTS-Inbound products are statistically reliable. Please explain to what extent the reported FY 2011 attributable costs for the MTS-Outbound and IMTS-Inbound products are based upon those options.
37. Please refer to USPS-FY10-NP2, Excel file "Reports (Booked).xls", worksheet A-Pages (md), Table A-1. For Outbound Single-Piece First-Class Mail International to Canada, please explain why revenues do not cover attributable costs.

Miscellaneous Questions

38. In its response to Docket No. ACR2010, CHIR No. 1, question 29, the Postal Service submitted the RPW Extract File. See Library Reference USPS-FY10-NP30, Excel file "ChIR.1.Q.29.NONPUBLIC.FY2010_RPWextractfile.xls." This file includes the non-public version of the RPW report, and consists of the following three worksheet tabs containing comprehensive mail category revenue, pieces, and weight data for FY 2010 "Summary Category RPW Data," "Rate Category RPW Data," and "RPW Report." Please provide an Excel file featuring the aforementioned worksheet tabs that contain the same comprehensive mail category data from the RPW updated for FY 2011.

39. In its response to Docket No. ACR2010, CHIR No. 1, question 30, the Postal Service provided a distribution of FY 2010 Market Dominant Mail fees to mail categories.
- a. Please distribute the FY 2011 market dominant mail fees provided in Table 1 below to the list of mail categories shown in Excel file CHIR_No.1_Attachment_A.xls, worksheet 'Market Dominant Mail Categories' and the 'Competitive Mail Categories,'. In doing so, please provide all underlying calculations and source workpapers.
 - b. Please confirm that Table 1 represents the complete list of Special Service fees by mail class.

Table 1: Docket No. ACR2011 FY 2011 Mailing Fees for Market Dominant Mail	
<u>Fee Category</u>	<u>Fees Fees (000)</u>
MARKET DOMINANT MAIL	
First-Class Mail Fees:	
Domestic First-Class Mail Fees:	
Business Reply Service	63,007.211
Certificates of Mailing	5,665.168
Merchandise Return Service	0.000
Special Handling	2,959.912
Postage Due	878.178
Address Services	18,200.117
Application and Mailing Permits	54,965.640
Total Domestic First-Class Mail Fees	145,676.226
International First-Class Mail Fees:	
Certificates of Mailing International	324.718
Postage Due Foreign Origin Surface LC/AO	0.321
Postage Due Foreign Origin Air LC/AO	12.842
Postage Due First-Class International (Return Mail)	92.106
Total International First-Class Mail Fees	429.987
Total First-Class Mail Fees	146,106.213
Standard Mail Fees:	
Bulk Parcel Return Service	4,695.303
Address Services	14,641.281
Application and Mailing Permits	48,743.360
Total Standard Mail Fees	68,079.944
Periodicals Fees:	
Address Services	8,000.779
Application and Mailing Permits	402.600
Total Periodicals Fees	8,403.379
Package Services Fees:	
Certificates of Mailing	122.685
Address Services	1,324.510
Application and Mailing Permits	852.480
Merchandise Return Service	0.000
Parcel Airlift Service	122.065
Special Handling	617.695
Total Package Services Fees	3,039.435
Market Dominant Mail Fees	225,628.971

40. In its response to Docket No. ACR2010, CHIR No. 1, question 31, the Postal Service provided a distribution of FY 2010 competitive mail fees to mail categories. Please distribute the FY 2011 competitive mail fees provided in Table 2 below to the list of mail categories provided in the Excel file CHIR_No.1_Attachment_A.xls, worksheet 'Competitive Mail Categories.' The cell values referenced in Table 2 are located in Excel file "Fy2011_RPWextractfile.xls," worksheet 'Summary Category RPW Data.' In doing so, please provide all underlying calculations and source workpapers.

Table 2: Docket No. ACR2011 FY 2011 Mailing Fees for Competitive Mail	
<u>Fee Category</u>	<u>Fees (000)</u>
COMPETITIVE MAIL	
Priority Mail Fees:	
Domestic Priority Mail Fees:	
Business Reply Service	D189
Certificates of Mailing	D190
Merchandise Return Service	D191
Special Handling	D185
Address Services	D188
International Mail Fees:	
Intl Certificates of Mailing-Priority Mail Intl	D222
Postage Due-Priority Mail Intl (Return Intl)	D225
Postage Due Foreign Origin Intl Airmail Parcels	D223
Postage Due Foreign Origin Intl Surface Parcels	D224

41. Please provide a listing in Excel form including Office Name (or other appropriate identifier), Unit Type (CPO or CPU), Location (State), and 5-digit ZIP Code for the following:

- a. CPUs and CPOs closed in FY 2011.
 - b. CPUs and CPOs newly established in FY 2011.
42. Please provide a file in Excel form including Office Name (or other appropriate identifier), Unit Type (CPO or CPU), Location (State), and 5-digit ZIP Code of CPOs and CPUs in existence at the end of FY 2011.

By the Chairman.

Ruth Y. Goldway